



Private Matter, SEE ATTACHED COPY OF
MEMORANDUM DATES THIS IS NOT A CASE!

Ken W. Normandy

COMMITMENT TO SUBMIT MATTER TO ADR PROGRAM

I confirm that I read the material describing the Federal Election Commission's ("FEC") Alternative Dispute Resolution ("ADR") program and request that my case be considered for this program. In the event that my case is accepted and determined to be appropriate for ADR, I agree to the following conditions:

- 1) to engage in the FEC's ADR program as described in the brochure enclosed with the complaint notification letter;
- 2) to participate in negotiations and try to reach settlement of my case, and, if unsuccessful, to engage in mediation with the aim of achieving a mutually acceptable resolution; and
- 3) to waive any Statute of Limitations provisions governing my case as long as it is being processed in the FEC's ADR program.

I understand that I will be advised by the FEC of its determination regarding the appropriateness of my case for ADR and, if selected, given time to prepare for negotiations with a representative of the FEC and to arrange a mutually agreeable time to meet and discuss the case.

1/16/01
Date

Ken W. Normandy
Signature

ADR 027

Name of Respondent: Ken W. Normandy
Address: 650 E. VISALIA RD
FAIRMONTVILLE OR 97223
Daytime Telephone: 559 7470019 CELL 559 8040411
Evening Telephone: 559-733-4620
Facsimile Number: 559-594-6924

CLIENT'S COPY

State.

ARTICLES OF PARTNERSHIP
OF

DOSE DRUGGISTS

DOSE WOMACK'S SIGNATURE VISIT PHARMACY

KENNETH W. WOMACK and MICHAEL R. GAFFNEY; both of Tulare County, California, voluntarily associate themselves together as General Partners under the terms and conditions set forth herein.

ARTICLE 1: NATURE OF PARTNERSHIP

Section 1.01. Name of Partnership. The name of this partnership (the "Partnership") is DOSE DRUGGISTS.

Section 1.02. Identity of Partners. The General Partners of this Partnership are KENNETH W. WOMACK and MICHAEL R. GAFFNEY (collectively referred to herein as the "Partners").

Section 1.03. Place of Business. The Partnership place of business shall be 650 East Visalia Road in Farmersville, California or such other place as the Partners may from time to time hereafter agree in writing.

Section 1.04. Type of Business. The Partnership shall engage in the business of a pharmacy and retail drug store, and for such other purposes as the Partners may hereafter agree to.

Section 1.05. Term of Partnership. The Partnership shall commence on November 1, 1986 and continue until the Partners agree otherwise in writing.

ARTICLE 2: FINANCIAL.

Section 2.01. Capital Interest. For the amounts each Partner has contributed to the capital of the Partnership, said Partner shall receive as interest in the equity of the Partnership an undivided one-half (1/2) interest.

Section 2.02. Capital Account. An individual capital account shall be maintained for each Partner. The capital interest of each Partner shall consist of his original contribution of capital increased by:

- (a) Any additional contributions.
- (b) Any credit balances transferred from his drawing account to his capital account.

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DOSE WOMACK'S SIGNATURE VISIT PHARMACY
650 E VISALIA RD
FARMERSVILLE, CA 93223

and decreased by:

- (c) Distributions and reductions of Partnership capital.
- (d) His share of Partnership losses, if charged to the capital account of the parties.

Section 2.03. Changes in Capital Account. No Partner is, or shall be, required to make additional contributions to the capital of this Partnership; and no Partner is, or shall be allowed, to make a voluntary contribution to capital without the written consent of both Partners. No portion of a Partner's Capital Account or the Partnership Capital may be withdrawn by a Partner without the express written consent of both Partners.

Section 2.04. Interest on Capital Account. No contribution by either Partner to the capital of the Partnership shall bear interest in favor of the party contributing the same.

Section 2.05. Loans to Partnership. No Partner may loan or advance money to the Partnership without the written consent of the other Partner. Any such loan by a Partner to the Partnership shall be separately entered in the books of the Partnership as a loan to the Partnership, shall be upon such terms and bear interest at such rate as may be agreed on by the lending Partner and the other Partner, and shall be evidenced by a promissory note delivered to the lending Partner and executed in the name of the Partnership by the other Partner.

Section 2.06. Bank Accounts. All funds of the Partnership shall be deposited in accounts in the name of the Partnership at such bank or banks in Tulare County, California as may from time to time be selected by the Partners. All withdrawals from any such account or accounts shall be made only by check or other written instrument signed by one of the Partners.

Section 2.07. Books of Account. The books of account of said Partnership are to be kept on a cash basis of accounting and be kept on a calendar-year basis. The net profits of the Partnership are defined as the gross receipts of said Partnership business received from the business of the Partnership, less all the ordinary and necessary expenses, and expenses of operation of said business of the Partnership, including the compensation of the Partners.

Section 2.08. Draws. Each partner shall be entitled to withdraw from the funds of the Partnership such sum, and at such frequency, as both Partners may agree upon from time to time for said Partner's own use. Each such withdrawal by a Partner shall be charged against that Partner's share of the net profits of the

Partnership for the fiscal year in which made. If the total of such withdrawals by any Partner during any such fiscal year exceeds that Partner's share of the net profits for such year, such amount shall be treated as a loan by the Partnership as provided for in Section 2.05 above.

Section 2.09. Accountings. As soon after the close of each fiscal year as is reasonably practicable, a full and accurate inventory and accounting, as of the close of such fiscal year, shall be made of the affairs of the Partnership. On such accounting being made, the net profit or net loss sustained by the Partnership during such fiscal year shall be ascertained and credited or debited, as the case may be, in the books of account of the partnership to the respective Partners.

ARTICLE 3. RIGHTS AND DUTIES OF PARTNERS

Section 3.01. Salaries. No Partner shall be entitled to any salary or other compensation for his services in and about the Partnership business.

Section 3.02. Management. Each Partner shall have an equal voice in the management and conduct of the Partnership business. No act in contravention of these Articles however may be legally done without the consent in writing of both Partners. The parties hereto agree to devote reasonable time and effort and energy to the business of the Partnership, and not to transact any other business which might be detrimental to the business of the Partnership.

Section 3.03. Prohibited Acts of Partners. No Partner shall, without the consent of the other Partner:

- (a) Loan any Partnership funds.
- (b) Extend Partnership credit to any person or business who either Partner has been notified not to trust.
- (c) Incur any obligations in the name or on the credit of the Partnership except in the ordinary course of the Partnership business.
- (d) Become bail, surety, or endorser for any other person.

Any loss sustained by the Partnership because of the breach of this paragraph by any Partner shall be deducted from such Partner's share of the net profits of the Partnership, or if the net profits of the Partnership for the fiscal year in which the

breach incurred be insufficient, from such Partner's capital interest in the Partnership.

Section 3.04. Personal Debts. Each Partner shall pay and discharge as they become due, that Partner's separate obligations, and protect the other Partner and the Partnership from all costs, claims and demands in relation thereto.

Section 3.05. Assignment of Interest. No Partner shall sell, assign, mortgage, hypothecate, or encumber his interest in the Partnership.

Section 3.06. Power to Incur Liabilities. Each Partner shall have authority to bind the Partnership in making contracts and incurring obligations in the name and on the credit of the business in the ordinary course of the Partnership business. No Partner, however, shall incur any obligation in the name or on the credit of the Partnership exceeding the sum of One Thousand Dollars (\$1,000.00) without the consent of the other Partner. Any Partner who incurs any obligation in the name and on the credit of the business in violation of this provision may be held individually liable by the other Partner for the entire amount of the obligation thus incurred.

Section 3.07. Conveyance of Real Property. Title to any real property hereafter acquired by the Partnership be conveyed only by a conveyance [defined in California Corporations Code section 15010.5(2)] executed in the Partnership name by both of the Partners.

Section 3.08. Pharmacists. Each Partner is, and shall remain throughout the existence of this Partnership, a pharmacist licensed by the State of California in good standing.

ARTICLE 4. CONTINUATION OF PARTNERSHIP

Section 4.01. Withdrawal of a Partner. Any Partner may voluntarily withdraw from the Partnership by giving the other Partner at least ninety (90) days notice of that Partner's intention to do so.

Section 4.02. Involuntary Withdrawal of a Partner. A Partner may terminate the interest in the Partnership of the other Partner upon notice that:

- (a) The other Partner has been adjudged a bankrupt pursuant to a petition in bankruptcy filed by or against that Partner under the Bankruptcy Act of the United States;

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- (b) A guardian or custodian shall have been appointed pursuant to the laws of the State of California for the other Partner;
 - (c) A charging order has been issued pursuant to Section 15028 of the California Corporations Code against the other Partner's interest, and the same has not been removed within thirty (30) days after it has been issued.
 - (d) A determination has been made that a Partner is not a licensed pharmacist by the State of California, or is a licensed pharmacist by said state, but not in good standing, and said Partner has not become a licensed pharmacist in good standing by the State of California within one hundred twenty (120) days after the determination has been made.

Section 4.03. Death of a Partner. The death of an individual Partner shall not dissolve the Partnership as to the other Partner, nor shall it cause any interruption in the conduct of the Partnership business, nor shall it affect the continuity of the Partnership and its business, or the continued use of the Partnership name in the conduct of such business.

Section 4.04. Disability of a Partner. Should any Partner in the opinion of any medical doctor duly licensed to practice in California selected by that Partner become unable, because of any physical or mental disability, to devote full time and attention to the Partnership business, such Partner shall be excused from devoting any time or attention to the Partnership business during the first six (6) months of such disability.

In the event that said Partner is disabled for a period of thirty (30) consecutive days, then at the end of such thirty (30) day period, the Partnership may employ a registered pharmacist to help carry on the business of the Partnership during the period of disability. During any such period of disability, the Partnership shall pay from the disabled Partner's share of the Partnership's earnings the salary of such registered pharmacist for up to one year (365 days) of said Partner's disability.

In the event that said Partner's disability shall continue beyond two (2) years, then in such event, the other Partner may terminate the interest in the Partnership of the disabled Partner.

Section 4.05. Continuation of Partnership. The withdrawal or continued disability of a Partner, as provided for

in 4.01, 4.02 and 4.04 above, shall not dissolve the Partnership as to the other Partner; nor shall it cause any interruption in continuity of the Partnership and its business, or the continued use of the Partnership name in the conduct of the business.

ARTICLE 5: OPTION TO PURCHASE; RIGHTS OF SELLING PARTNER

Section 5.01. Option to Purchase. Upon the withdrawal, death, or continued disability of a Partner, the remaining Partner shall have an option to purchase the interest of the withdrawing, deceased, or disabled Partner in the assets and goodwill of the Partnership business by paying to such Partner, or the person legally entitled thereto, the value of such interest determined as provided in Section 5.03 of these Articles. The remaining Partner shall give notice of his exercise of such option by serving written notice on the Partner or his personal representative as the case may be, within sixty (60) days of withdrawal or termination; or within sixty (60) days after appointment of a personal representative as provided for by law.

Section 5.02. Payment of Purchase Price. The purchase price of the withdrawing, deceased, or disabled Partner's interest shall be paid on terms and conditions to be then agreed upon. In the event of death of a Partner, or the subsequent death of a withdrawing or disabled Partner, life insurance proceeds shall be applied to pay for all, or a portion, of said Partner's interest as provided for in Article 5 herein.

Section 5.03. Purchase Price Determination. The fair market value of the Partnership as of the date of this agreement is hereby determined to be \$184,000.00. Within ninety (90) days after the close of the Partnership's fiscal year the Partners shall redetermine the fair market value of the Partnership as at the end of such fiscal year, and upon any such determination shall attach such determination as an addendum to this agreement, dated and signed by both of the Partners. In the event said fair market value has not been redetermined, the last such determined value shall establish the fair market value of the Partnership.

Section 5.04. Right to Sell to Other Than Remaining Partner. In the event that the remaining Partner fails to exercise his option to purchase as provided for in 5.01 herein, the selling Partner, or his personal representative, shall have the right to sell his interest to any other person. However, the remaining Partner shall have the right to approve the third party purchaser, and the remaining Partner represents that approval shall not be unreasonably withheld.

Section 5.05. Assumption of Partnership Obligations. On any purchase and sale of a Partnership interest being made as provided in this Article 5, the remaining Partner shall assume all the Partnership obligations and shall protect and indemnify the selling party and the property of any such selling party from liability for any such obligations, and shall make and give such notices thereon as required by law.

ARTICLE 6. INSURANCE.

Section 6.01. Insurance. In order to assure the availability of funds for the purchase of a deceased Partner's interest, the Partnership will acquire and own life insurance policies insuring the lives of each Partner in the face amount of \$100,000.00 for each policy. The Partnership may acquire additional insurance to further the availability of funds for this purpose, and may substitute other policies from time to time.

Section 6.02. Beneficiary. The Partnership shall be the beneficiary and absolute owner of all policies on the life of a Partner for purposes of this Agreement. The Partnership shall retain physical custody of the policies and shall pay all premiums when they become due in order to maintain said policies in full force and effect.

Section 6.03. Insurance Proceeds. Upon the death of a Partner, the Partnership shall immediately file a claim for and collect the proceeds of the policies owned by it, and shall apply as much of said proceeds as may be necessary to carry out the terms of Article 5 herein.

ARTICLE 7. COVENANT NOT TO COMPETE

Section 7.01. Effective Date of Covenant. In the event of the voluntary or involuntary withdrawal of a Partner, or the continued disability of a Partner, the covenant not to compete described in 7.02 below shall become effective the date of said withdrawal or continued disability as provided for in Article 4 of these Articles.

Section 7.02. Covenant Not to Compete. Said withdrawing or disabled Partner agrees that he shall not directly or indirectly own, manage, operate, or control; or participate in the ownership, management, operation or control of; or be employed or connected in any manner with or by any pharmacy and retail drug store business within a radius of three (3) miles from any existing or future business, as described in Section 1.03 of these Articles, for a period of five (5) years from the date referred to in 7.01 above.

ARTICLE 8. TERMINATION OF PARTNERSHIP

Section 8.01. Winding Up Partnership Affairs. In the event of liquidation or termination of the Partnership, by mutual consent of the Partners or by any cause, the assets, liabilities and income of the Partnership shall be appraised or ascertained; the debts of the Partnership shall be discharged and all assets of the Partnership at said time remaining undisposed or unliquidated, shall be first allocated to the payment of any and all liabilities of said Partnership to any of the parties hereto. Thereafter, any assets remaining shall be first applied to the liquidation of the capital account of the parties hereto as shown on the books of account of said partnership, and in the event that there are not sufficient assets to liquidate said capital accounts the available funds shall be prorated between the parties in the proportion which each said account shall bear to the total. In the event there are any excess assets remaining after liquidation of the capital accounts, said assets shall be divided on an equal basis between the Partners.

ARTICLE 9. PREPARATION OF AGREEMENT

Section 9.01. Preparation of Agreement. KENNETH W. WOMACK has employed the services of CURTIS M. SPOTT, Attorney at Law, for the preparation of this agreement. CURTIS M. SPOTT has counselled with both KENNETH W. WOMACK and MICHAEL R. GAFFNEY concerning the preparation of this agreement and associated documents thereto. MICHAEL R. GAFFNEY is advised that he should seek the advice of independent counsel concerning his rights and obligations concerning this agreement and associated documents thereto.

ARTICLE 10. OTHER PROVISIONS

Section 10.01. Exclusive Agreement. This instrument contains the sole and only agreement of the parties hereto relating to their Partnership and correctly sets forth the rights, duties and obligations of each as of its date. Any prior agreements, promises, negotiations or representations not expressly set forth in these Articles are of no force and effect.

Section 10.02. Consents and Agreements. Any and all consents and agreements provided for or permitted by these Articles shall be in writing and a signed copy thereof shall be filed and kept with the books of the Partnership.

Section 10.03. Miscellaneous Notices. Any and all notices between the parties hereto provided for or permitted

under these Articles or by law shall be in writing and shall be deemed duly served when personally delivered to a Partner, or, in lieu of such personal service, when deposited in the United State mail, certified, postage prepaid, addressed to such Partner at the address of the principal place of business of the Partnership or to such other place as may from time to time be specified.

Section 10.04. Modification. This agreement can only be modified in writing upon the prior mutual consent of both Partners hereto, and said modification shall be signed by both Partners.

Section 10.05. Waiver. Any waiver of a covenant, promise, term or condition of this agreement by either Partner, shall not cause a subsequent waiver of the same or any other covenant, promise, term or condition of this agreement.

Section 10.06. Attorney Fees. Should any litigation be commenced between the parties hereto or their personal representatives concerning any provision of these Articles or the rights and duties of any person in relation thereto, the party or parties prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for their or his attorney's fees in such litigation which shall be determined by the court in such litigation, or other legal proceeding brought for such specific purpose.

Section 10.07. Binding Effect. This agreement shall enure to the benefit of and be binding upon the heirs, executors, administrators, trustees and legal representatives of the parties hereto, and upon the successors in interest, transferees and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this agreement this ____ day of November 1986 at Farmersville, California.


KENNETH W. WOMACK


MICHAEL R. GAFFNEY